



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

22

April 12, 2016

LORI GLASGOW
EXECUTIVE OFFICER

Los Angeles County
Board of Supervisors

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April 12, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO THE MEDICAL SCHOOL AFFILIATION
AGREEMENT BETWEEN THE COUNTY OF LOS ANGELES AND THE
REGENTS OF THE UNIVERSITY OF CALIFORNIA
(3rd SUPERVISORIAL DISTRICT)
(3 VOTES)**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Chief Operations Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

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www.dhs.lacounty.gov

*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles County
residents through direct services at
DHS facilities and through
collaboration with community and
university partners.*

SUBJECT

Approval of an Amendment to the Affiliation Agreement with the Regents of the University of California to add additional purchased services at Mid-Valley Comprehensive Health Center ongoing beginning with Fiscal Year 2015-16, increase the maximum obligation of the Agreement by \$542,705, and make a finding that contracting for the provision of physician services can be performed more feasibly by contracting with the private sector.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Chair of the Board of Supervisors to execute Amendment No. 8 to Agreement No. H-702099 with the Regents of the University of California, on behalf of its Los Angeles Campus and Medical School (UCLA), to add additional purchased services and increase the number of UCLA residents for the Family Medicine residency program at Mid-Valley Comprehensive Health Center (Mid-Valley CHC), and increase the annual maximum obligation accordingly from \$29,444,000 to \$29,986,705, for the period beginning July 1, 2015 through June 30, 2016, effective upon Board approval.

2. Make a finding as required by Los Angeles County Code section



www.dhs.lacounty.gov

2.121.420 that contracting for the provision of physician services (trainee and non-trainee) at Mid-Valley Comprehensive Health Center (CHC), as described herein, can be performed more feasibly by contracting with the private sector.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Chair to execute the Amendment (Exhibit I) with UCLA to fully fund the additional services at Mid-Valley CHC, as described below:

Family Medicine Residency Program:

The Association of American Medical Colleges conducted a study in 2015, and predicted that there will be a nationwide shortage of between 46,000 to 90,000 physicians by 2025, mainly in primary care, that is necessary to meet the healthcare demands of an aging, growing population. This is particularly problematic for the most vulnerable and underserved populations served by DHS.

To attract providers to underserved communities where they can foster meaningful, long-standing patient-provider relationships. Mid-Valley CHC, in concert with UCLA, provides residency training of future primary care physicians. While the Family Medicine Residency Program has been a great source for recruitment of new medical home providers, there is also an increased need for additional primary care capacity, given the physician shortages and increased assignments of Medi-Cal Managed Care and In-Home Supportive Service enrollees to Mid-Valley CHC and other DHS health centers. As a result, DHS will strengthen the residency program by increasing the number of attending Family Care physicians (1.5 Full Time Equivalents or FTEs) at an annual cost of \$327,490, adding UCLA residents (2.25 FTEs) to the Family Medicine Residency Program at an annual cost of \$131,767, and increasing the faculty recruitment/retention funds for an additional annual cost of \$55,800, all for a combined total annual cost of \$515,057.

Clinic-Based Orthopedic Care:

DHS has determined a need for additional orthopedic care at Mid-Valley CHC to ensure timely and appropriate care for patients with various musculoskeletal conditions, so as to decrease the overall demand for costlier orthopedic surgery services. As such, DHS will add a Musculoskeletal/Sports Medicine fellowship-trained Family Medicine physician (0.09 FTE) at an annual cost of \$27,648.

The combined annual cost of the additional services (Family Medicine Residency Program and Clinic-Based Orthopedic Care) described above is \$542,705. Due to patient care needs for FY 2015-16, and to coincide with the start of the physician training academic year, DHS authorized funding from the existing allocation for academic infrastructure to begin services on July 1, 2015. The increased contract amount will be used in part to fully replenish the academic infrastructure component, and pay for the additional Purchased Services on a going forward basis.

Approval of the second recommendation is necessary to comply with Los Angeles County Section 2.121.420, as amended on November 21, 2006, whereby contracting for physician services is allowed upon a Board determination that the use of independent contractors is more feasible than the use of County employees. The Department has evaluated the Agreement's physician services, and recommends the Board's determination thereof.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness/Fiscal Sustainability of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The County's maximum obligation under the Affiliation Agreement will increase from \$29,444,000 to \$29,986,705 for the period beginning July 1, 2015 through June 30, 2016, an increase of \$542,705.

Funding is included in the FY 2015-16 Final Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

DHS entered into the current Agreement with UCLA effective July 1, 2006 through June 30, 2011, with automatic annual extensions, unless either party serves notice of non-renewal to the other party.

On June 16, 2015, the Board made the finding as required by Los Angeles County Code section 2.121.420 that contracting for the provision of physician services (trainee and non-trainee) at H-UCLA MC and OV-UCLA MC continues to be performed more feasibly by contracting with the private sector.

CONTRACTING PROCESS

Given the nature and scope of the services provided by UCLA under the Agreement, as well as the historic relationship between the County and UCLA, the Department determined that it was not feasible to competitively bid this agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Amendment will provide funds to increase primary care capacity at Mid-Valley CHC.

The Honorable Board of Supervisors

4/12/2016

Page 4

Respectfully submitted,

A handwritten signature in black ink, reading "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:ck

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

Contract No. 76850 (H-702099)**AFFILIATION AGREEMENT**

Amendment No. 8

THIS AMENDMENT is made and entered into this 12th day
of April, 2016,

by and between

COUNTY OF LOS ANGELES
(hereafter "County")

and

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA, ON BEHALF OF ITS LOS
ANGELES CAMPUS AND SCHOOL OF
MEDICINE (hereafter "University").

WHEREAS, reference is made to that certain document entitled "AFFILIATION AGREEMENT", dated July 1, 2006, and any amendments thereto (all hereafter referred to as "Agreement");

WHEREAS, it is the intent of the parties hereto to amend Agreement to increase the Agreement amount by \$542,705, not to exceed a total contract cost of \$29,986,700 and to provide for the other changes set forth herein;

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment, which is formally approved and executed by both parties; and

WHEREAS, Contractor warrants that it possesses the competence, expertise and personnel necessary to provide services consistent with the requirements of this Agreement and consistent with the professional standard of care for these services.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective upon execution. This Amendment shall become effective upon date of Board approval.

2. Any reference in Amendment No. 7 to Exhibit 1-I.a-4, Exhibit 1-II.a-4, Exhibit 2-I.a-4, Exhibit 2-II.a-4, Addendum A-1.a-4, Addendum A-II.a-4, Addendum A-III.a-4 and Addendum A-IV.a-4 shall refer to the updated Exhibits

and Addenda Exhibit 1-I.a-5,, Exhibit 1-II.a-5, Exhibit 2-I.a-5, Exhibit 2-II.a-5. Addendum A-I.a-5, Addendum A-II.a-5, and Addendum A-III.a-5, as applicable, and shall be added to the Agreement, attached hereto and incorporated by reference.

3. Except for the changes set forth herein, the remaining terms and conditions of the Agreement shall remain in full effect.

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IN WITNESS WHEREOF, Contractor has executed this Amendment, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

I hereby certify that pursuant to section 25103 of the government code, delivery of this document has been made.

LORI GLASGOW
Executive Officer
Clerk of the Board of Supervisors

By

Deputy



CONTRACTOR:

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA, ON BEHALF OF ITS LOS
ANGELES CAMPUS AND SCHOOL OF
MEDICINE

By

Name

Title

COUNTY OF LOS ANGELES

By

Chair, Board of Supervisors

ATTEST:
LORI GLASGOW
Executive Officer
Clerk of the Board of Supervisors

By

Deputy

APPROVED AS TO FORM:
MARY C. WICKHAM
County Counsel

By

Principal Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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APR 12 2016

Lori Glasgow
LORI GLASGOW
EXECUTIVE OFFICER

EXHIBIT 1-I.a-5

County and University Training Programs - Coastal

- 1-I.1 ACGME-Accredited University Training Programs.** University Training Programs shall include the following ACGME-accredited training programs which are based at Ronald Reagan UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	FY 14-15	FY 15-16
	<u>FTEs</u>	<u>FTEs</u>
Internal Medicine – Gastroenterology	3.00	3.00
Internal Medicine – Rheumatology	1.00	1.00
Preventative Medicine	2.00	3.00
Surgery – Neurosurgery	2.00	2.00
Surgery – Ophthalmology	6.00	6.00
Surgery – Otolaryngology (Head & Neck)	5.00	5.00
Surgery – Plastic	1.00	1.00
Surgery – Urology	2.00	2.00
Subtotal	<u>22.00</u>	<u>23.00</u>

- 1-I.2 ACGME-Accredited County Training Programs.** County Training Programs shall include the following ACGME-accredited training programs which are based at Los Angeles County - Harbor-UCLA Medical Center, pursuant to this Agreement.

Fiscal Year (FY):	FY 14-15	FY 15-16
	<u>FTEs</u>	<u>FTEs</u>
Anesthesiology	20.00	20.00
Emergency Medicine	47.00	48.00
Emergency Medicine – Ultrasound	1.00	1.00
Family Practice	36.00	36.00
Family Medicine - Faculty Development	2.00	2.00
Family Medicine - Sports Medicine	1.00	1.00
Internal Medicine	56.00	56.00
Internal Medicine - Cardiology	15.00	15.00
Internal Medicine - Cardiology Interventional	3.00	3.00
Internal Medicine – Dermatology	5.00	5.00
Internal Medicine - Electrophysiology	2.00	2.00
Internal Medicine – Endocrinology	9.00	9.00
Internal Medicine - Advanced Interventional and Endosonography	2.00	2.00
Internal Medicine - Hematology/Oncology	13.00	13.00
Internal Medicine - Infectious Disease	4.00	4.00
Internal Medicine – Nephrology	7.00	7.00
Internal Medicine – Pulmonary	7.00	7.00
Neurology	9.00	9.00

EXHIBIT 1-I.a-5

	<u>FY 14-15</u> <u>FTEs</u>	<u>FY 15-16</u> <u>FTEs</u>
Neurology – Child	3.00	3.00
Neurology - Neurophysiology/EEG	2.00	2.00
Obstetrics and Gynecology	20.00	20.00
OB/Gyn - Female Pelvic Reconstructive Surgery	3.00	3.00
Orthopedic Surgery	20.00	20.00
Pathology	16.00	16.00
Pediatrics	30.00	30.00
Pediatric Child Abuse	1.00	1.00
Pediatrics - Critical Care	6.00	6.00
Pediatrics – Endocrinology	3.00	3.00
Pediatrics – Gastroenterology	1.00	1.00
Pediatrics - Emergency Medicine	3.00	3.00
Pediatrics - Infectious Disease	3.00	3.00
Pediatrics - Medical Genetics	1.00	1.00
Pediatrics – Neonatal	8.00	8.00
Psychiatry	32.00	32.00
Psychiatry – Child	8.00	8.00
Radiology	24.00	24.00
Radiology - Body Imaging	2.00	2.00
Radiology - Breast Imaging	1.00	1.00
Radiology – Interventional	1.00	1.00
Radiology – Neuroradiology	1.00	1.00
Radiology – Nuclear	1.00	1.00
Surgery	47.00	47.00
Surgery - General Practice –Dental	4.00	4.00
Surgery - Oral and Maxillofacial Surgery	8.00	8.00
Surgery – Vascular	2.00	2.00
Transitional Year	18.00	18.00
Subtotal	<u>510.00</u>	<u>511.00</u>

1-I.3 Non-ACGME-Accredited County Training Programs. County Training Programs shall include the following non-ACGME-accredited training programs which are based at Los Angeles County - Harbor-UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	<u>FY 14-15</u> <u>FTEs</u>	<u>FY 15-16</u> <u>FTEs</u>
Internal Medicine - General	2.00	2.00
OB/Gyn - Maternal Fetal Medicine	3.00	3.00
OB/Gyn- Women's Health	1.00	1.00
Orthopedic Surgery - Foot and Ankle	1.00	1.00
Subtotal	<u>7.00</u>	<u>7.00</u>
Grand Total	<u>537.00</u>	<u>539.00</u>

EXHIBIT 1-II.a-5

County and University Training Programs - Valley Care Cluster

1-II.1 ACGME-Accredited University Training Programs. University Training Programs shall include the following ACGME-accredited training programs which are based at Ronald Reagan UCLA Medical Center, pursuant to this Agreement.

Fiscal Year (FY):	FY 14-15	FY 15-16
	<u>FTE</u>	<u>FTEs</u>
Anesthesiology	2.00	2.00
Emergency Medicine OV/UC	28.00	28.00
Family Medicine	4.00	4.00
Family Medicine - Mid-Valley	2.25	4.50
Internal Medicine - Cardiology	5.00	5.00
Internal Medicine - Dermatology	1.00	1.00
Internal Medicine - Gastroenterology	1.00	1.00
Internal Medicine - Infectious Disease	2.00	2.00
Internal Medicine - Pulmonary	3.00	3.00
Neurology	3.00	3.00
Obstetrics-Gynecology	14.00	14.00
Obstetrics-OV/UCGyn-Onc, UrolGyn	1.50	1.50
Ophthalmology	5.00	5.00
Pediatrics	11.00	11.00
Psychiatry *	18.00	18.00
Radiology	7.00	7.00
Surgery - General	7.00	7.00
Surgery - Head & Neck	3.00	3.00
Surgery - Plastic	2.50	2.50
Surgery - Ortho	4.50	4.50
Urology	3.00	3.00
Subtotal	<u>127.75</u>	<u>130.00</u>

* See Paragraph A-II.3. Volume of Purchased Services.

1-II.2 ACGME-Accredited County Training Programs. County Training Programs shall include the following ACGME-accredited training programs which are based at Los Angeles County – Olive View-UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	FY 14-15	FY 15-16
	<u>FTEs</u>	<u>FTEs</u>
Internal Medicine - General	79.75	79.75
Internal Medicine - Hematology/Oncology	11.00	11.00
Internal Medicine - Nephrology	5.00	5.00
Internal Medicine - Rheumatology	2.00	2.00
Internal Medicine – Sleep Medicine	1.00	1.00
Subtotal	<u>98.75</u>	<u>98.75</u>

EXHIBIT 1-II.a-5

1-II.3 Non-Accredited County Training Programs. County Training Programs shall include the following non-ACGME accredited training programs which are based at Los Angeles County-Olive View-UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	FY 14-15	FY 15-16
	<u>FTEs</u>	<u>FTEs</u>
Pathology	0.50	0.50
Grand Total	<u>227.00</u>	<u>229.25</u>

EXHIBIT 2-I.a-5

Coastal Cluster

The following shall constitute the Coastal Cluster:

Los Angeles County - Harbor-UCLA Medical Center

Harbor-UCLA Family Health Center

Long Beach Comprehensive Health Center

Bellflower Health Center

Wilmington Health Center

Martin Luther King Multi-Service Ambulatory Care Center

Los Angeles County Public Health Department Service Locations
(Preventative Medicine Fellowship Only)

Los Angeles County Department of Mental Health Service Locations
(Only for Purchased Services funded by DMH)

Other Los Angeles County Department of Health Services Service Locations
(Preventative Medicine Fellowship Only)

The Primary County Facilities shall include those facilities within the Coastal Cluster and Los Angeles County which are so identified in Addendum A-I.a-5.

EXHIBIT 2-II.a-5

Valley Care Cluster

The following shall constitute the Valley Care Cluster:

Los Angeles County - Olive View-UCLA Medical Center

Los Angeles County – Olive View Urgent Care Center

Mid-Valley Comprehensive Health Center

Glendale Health Center

San Fernando Health Center

The Primary County Facilities shall include those facilities within the Valley Care Cluster which are so identified in Addendum A-II.a-5.

ADDENDUM A-I.a-5

Purchased Services - Coastal Cluster (including Harbor)

Fiscal Year (FY) 2015-16

A-I.1. General. Payment for Purchased Services will be calculated based on a combination of fixed and variable payments, as set forth in § A-I.4. In no event shall the fixed or variable rates or the payment methodology under this Addendum A be revised more frequently than every twelve (12) months.

A-I.2. Fixed and Variable Costs. The Parties agree that payment for Purchased Services should reflect the following variable costs: (a) program directors, (b) faculty members, (c) faculty trauma surgery, otolaryngology, anesthesia and pediatrics augmentation, (d) faculty recruitment/retention augmentation (e) informatics and (f) radiologists. Pursuant to § 2.5.2.2, County shall also reimburse University for its cost for any University Housestaff assigned to Primary County Facilities. The following UCLA and County fixed costs (including salary and benefits where applicable), which will not vary within a given range of programs and Housestaff: (a) overall academic infrastructure, including graduate medical education fees, (b) Verinform/AmlOn, (c) University Representative, (d) University Graduate Medical Education Dean, and (e) University's administrative personnel.

A-I.3. Volume of Purchased Services. For FY 15-16, University shall provide Purchased Services as needed within the ranges or maximum set forth in this Addendum. In the event that County's needs fall outside of such ranges or maximum, the Parties may negotiate a different volume of services for specific line items; but as provided in § A-I.1, the fixed and variable rates set forth in § A-I.4 shall not vary during the course of the Contract Year.

Under §A-1.2, Faculty Members cost includes \$260,000 for faculty funded by the Department of Mental Health (DMH). The provision of these services beyond FY 15-16 is contingent upon continued funding provided by DMH. The County shall provide notice to the University at least 60 days prior to the start of any such Academic Year if there is a reduction or elimination of such DMH funding. The Parties agree that the provision of any such DMH-funded services shall not be subject to any DMH-specific documentation requirements

Under §A-1.2, the Public Health Preventative Medicine Fellowship is included that is jointly funded by the Department of Public Health and Department of Health Services. This two year training program consists of two fellows per year. Exhibit 1-I.a.4 includes two Year 1 and one Year 2 Preventative Medicine FTEs for FY 15-16 that will cost approximately \$163,000 . Effective FY 16-17 the estimated annual on-going cost will be \$314,000 for four Preventative Medicine FTEs.

A-I.4 Fixed, Unit and Total Payments. During FY 15-16, County shall compensate University as follows (prices are rounded to the nearest \$500).

ADDENDUM A-I.a-5

<u>Variable Costs</u>	<u>FY 14-15 Total Price</u>	<u>FY15-16 Total Price</u>
Program Directors	\$2,240,000	\$2,240,000
Faculty Members	\$1,060,000	\$1,060,000
University Housestaff Salaries	\$1,045,500	\$1,058,500
Radiologists	\$ 678,000	\$ 678,000
Faculty Trauma Surgery, Otolaryngology, Anesthesia & Pediatrics Augmentation	\$1,784,000	\$2,434,000
Faculty Recruitment/Retention Augmentation	\$1,000,000	\$1,000,000
Informatics Program	\$ 359,000	\$ 359,000
Total Variable Costs:	<u>\$8,166,500</u>	<u>\$8,829,500</u>

<u>Fixed Costs</u>	<u>FY 14-15 Total Price</u>	<u>FY 15-16 Total Price</u>
Academic Infrastructure	\$1,070,000	\$ 1,070,000
Verinform / AmlOn	\$ 100,000	\$ 100,000
University Representative	\$ 34,000	\$ 34,000
GME Dean	\$ 41,000	\$ 41,000
Administrative Personnel	\$ 102,500	\$ 102,500
Associate Dean Harbor-UCLA		
Total Fixed Costs:	<u>\$1,347,500</u>	<u>\$ 1,347,500</u>

Total Coastal Payment:	<u>\$9,514,000</u>	<u>\$ 10,177,000</u>
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A-I.5 Intentionally Omitted.

A-I.6 Faculty Recruitment & Retention Fund. Addendum A includes a faculty recruitment and retention fund in the amount of \$1,000,000 for FY 15-16 to assist in the recruiting of new faculty, sign-on bonuses, academic advancement bonuses, and search firms, advertising and travel. To ensure accountability, the Facility Joint Planning Operations Committee will make all determinations regarding the use of this fund.

A-I.7 Primary County Facilities. The following facilities shall constitute the Primary County Facilities within County's Coastal Cluster:

Los Angeles County - Harbor-UCLA Medical Center

Harbor-UCLA Family Health Center

Long Beach Comprehensive Health Center

ADDENDUM A-I.a-5

Bellflower Health Center

Wilmington Health Center

Martin Luther King, Jr. Outpatient Center

Department of Public Health Service Locations
(Preventative Medicine Fellowship Only)

Department of Mental Health Service Locations
(Only for Purchased Services funded by DMH)

Other Department of Health Services Locations
(Preventative Medicine Fellowship Only)

ADDENDUM A-II.a-5

Purchased Services - Valley Care Cluster (including Olive View)

Fiscal Year (FY) 2015-16

A-II.1 General. Payment for Purchased Services will be calculated based on a combination of fixed and variable payments, as set forth in § A-II.4. In no event shall the fixed or variable rates or the payment methodology under this Addendum A be revised more frequently than every twelve (12) months.

A-II.2 Fixed and Variable Costs. The Parties agree that payment for Purchased Services should reflect the following variable costs: (a) program directors, (b) faculty members, (c) hospitalists, and (d) faculty recruitment/retention augmentation. Pursuant to § 2.5.2.2, County shall also reimburse University for its cost for any University Housestaff assigned to Primary County Facilities. The following UCLA and County fixed costs (including salary and benefits where applicable), which will not vary within a given range of programs and Housestaff: (a) overall academic infrastructure, including graduate medical education fees, (b) Verinform/AmlOn, (c) University Representative, (d) University Graduate Medical Education Dean, and (e) University's administrative personnel.

A-II.3. Volume of Purchased Services. For FY 15-16, University shall provide Purchased Services as needed within the ranges or maximum set forth in this Addendum. In the event that County's needs fall outside of such ranges or maximum, the Parties may negotiate a different volume of services for specific line items.

Under Paragraph 1-II.1, Exhibit 1-II.a-4, § 1.II.1, six of the 18 psychiatry FTEs are fully funded by the Department of Mental Health for services to be provided at the DMH Olive View Urgent Care Center. Notwithstanding the above paragraph, the provision of these additional FTEs for any period beyond FY 15-16 shall be contingent upon continued funding by DMH. The County shall provide notice to the University at least 60 days prior to the start of any such Academic Year if there is any anticipated reduction or elimination of such DMH funding. The total number of FTEs to be provided shall then be reduced accordingly.

A.II.4 Fixed, Unit and Total Payments. During FY 15-16, County shall compensate University as follows (all prices are rounded to the nearest \$500):

<u>Variable Costs</u>	<u>FY 14-15 Total Price</u>	<u>FY 15-16 Total Price</u>
Program Directors	\$ 658,000	\$ 658,000
Faculty Members	\$ 589,500	\$ 589,500
Attendees (Mid Valley CHC, Family Care, 1.5 FTEs)	\$ 0	\$ 327,490
University Housestaff Salaries	\$15,309,000	\$ 15,440,767
Physicians (Hospitalist)	\$ 285,000	\$ 285,000

ADDENDUM A-II.a-5

Physicians (Mid Valley CHC, Ortho, 0.09 FTE)	\$ 0	\$ 27,648
Faculty Recruitment/Retention Augmentation	\$ 512,500	\$ 568,300

Total Variable Costs:	<u>\$17,354,000</u>	<u>\$ 17,896,705</u>
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<u>Fixed Costs</u>	<u>FY 14-15 Total Price</u>	<u>FY15-16 Total Price</u>
Academic Infrastructure	\$1,703,500	\$ 1,703,500
Verinform / AmlOn	\$ 35,000	\$ 35,000
University Representative	\$ 31,000	\$ 31,000
GME Dean	\$ 41,000	\$ 41,000
Administrative Personnel	\$ 102,500	\$ 102,500
 Total Fixed Costs:	 <u>\$1,913,000</u>	 <u>\$ 1,913,000</u>
 Total Valley Care Payment:	 <u>\$19,267,000</u>	 <u>\$ 19,809,705</u>

A-II.5 COTH Housestaff Salary Adjustment

Based upon the recommendation of the Council of Teaching Hospitals (COTH), the University may increase the housestaff compensation levels for resident physicians for FY 15-16. These COTH increases are not expected to exceed the 5% delegated authority granted to the DHS Director to increase annual allocations for University housestaff salaries to address approved compensation increases. University and DHS agree to fund the COTH increase within the existing contract budget upon execution of an amendment to this Agreement by the parties.

A-II.6 Faculty Recruitment & Retention Augmentation. Addendum A includes a faculty recruitment and retention fund in the amount of \$512,500 for FY 15-16 to assist in the recruiting of new faculty, sign-on bonuses academic advancement bonuses, and search firms, advertising and travel. To ensure accountability, the Facility Joint Planning Operations Committee will make all determinations regarding the use of this fund.

A-II.7 Primary County Facilities. The following facilities shall constitute the Primary County Facilities within County's Valley Care Cluster:

Los Angeles County -Olive View-UCLA Medical Center
Los Angeles County – Olive View Urgent Care Center
Mid-Valley Comprehensive Health Center
Glendale Health Center
San Fernando Health Center

ADDENDUM A-III.a-5

Total Payments

Fiscal Year (FY) 2015-16

	<u>FY 14-15</u>	<u>FY 15-16</u>
Coastal Purchased Services	\$ 9,514,000	\$10,177,000
Valley Care Purchased Services	\$19,267,000	\$19,809,705
 Total Payment	 \$28,781,000	 \$ 29,986,705